

**EXECUTIVE SECRETARIAT**  
ROUTING SLIP

TO:

		ACTION	INFO	DATE	INITIAL
1	DCI		X		
2	DDCI		X		
3	EXDIR		X		
4	D/ICS				
5	DDI		X		
6	DDA				
7	DDO		X		
8	DDS&T				
9	Chm/NIC				
10	GC				
11	IG				
12	Compt				
13	D/Pers				
14	D/OLL				
15	D/PAO				
16	SA/IA				
17	AO/DCI				
18	C/IPD/OIS				
19	NIO /ECON	X			
20	NIO/LA		X		
21	C/LA/DO		X		
22	D/ALA/DI		X		
SUSPENSE		Date _____			

Remarks #19: Please advise ES name of Attendee(s). 4301

Executive Secretary  
28 Jan 85

Date

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**NATIONAL SECURITY COUNCIL**  
WASHINGTON, D.C. 20505

Executive Registry

85- 400

January 25, 1985

**MEMORANDUM FOR:**

**MR. DONALD P. GREGG**  
Assistant to the Vice President  
for National Security Affairs

**MS. HELEN ROBBINS**  
Executive Assistant  
to the Secretary  
Department of Commerce

**MR. NICHOLAS PLATT**  
Executive Secretary  
Department of State

**MR. WILLIAM VITALE**  
Executive Secretary  
Department of Energy

**MR. CHRISTOPHER HICKS**  
Executive Secretary  
Department of the Treasury

**DR. ALTON KEEL**  
Associate Director for  
National Security &  
International Affairs  
Office of Management & Budget

**COLONEL R.J. AFFOURTIT**  
Executive Secretary  
Department of Defense

**[Redacted]**  
Executive Secretary  
Central Intelligence Agency

**MR. RAYMOND LETT**  
Executive Assistant to the  
Secretary  
Department of Agriculture

**MR. MALCOLM H. BUTLER**  
Executive Secretary  
Agency for International  
Development

**SUBJECT: Meeting re NSSD 2-85 (U)**

The National Security Council will convene the second meeting to discuss the implementation of NSSD 2-85 on Economic Development for Central America at 4:00 p.m. on Thursday, 31 January in Room 208, Old Executive Office Building. (S)

Participation is limited to two from each Department/Agency. Please telephone the names of participants to Mary Wengrzynek 395-3440. (U)

Attached, please find the major conclusions of the first meeting and agreed taskings for second meeting. (U)

Thank you.

*Robert M. Kimmitt*  
Robert Kimmitt  
Executive Secretary

Attachment: a/s

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**SECRET****Summary of the First Meeting on NSSD 2-85, January 22, 1985**

The purpose of NSSD 2-85 is to provide an analytical framework for building a successful U.S. policy toward economic development in Central America as outlined by the Kissinger Commission and subsequent Jackson Plan strategy. To enhance implementation of our overall economic objectives for Central America as outlined by these previous efforts, it is agreed that the work program should focus on:

- 1) identifying the economic environment over the next 15 years regionally and by country,
- 2) reviewing the status of present resource flows and priorities,
- 3) determining whether adjustments are necessary for future funding and programming,
- 4) establishing a monitoring mechanism to judge progress in the implementation, and
- 5) packaging a presentation of the major results for use in briefing the President and Cabinet.

The final product of the NSSD will be a 25 page analysis which, in addition to identifying the major conclusions of the work program, will include a short introduction on the major objectives as identified by the Kissinger Commission. The group will also aim to produce an unclassified summary of the results for public diplomacy purposes and briefings for Congress. The work should be completed by the end of February.

Some of the other key issues discussed in the first meeting of the group included:

- 1) the importance of encouraging export led economic development based on principles of the market,
- 2) the need to improve the analytical basis for determining the trade-offs between national security priorities in the short term and long term economic adjustment programs, \*
- 3) the importance of improving the economic data base,

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- 4) the critical need to improve the investment and political climate to attract private sector involvement - so vital to the economic development of these nations, and
- 5) the recognition that there are no easy solutions to the economic problems of Central America and that sustained effort will be required over a number of years to achieve greater economic prosperity and security for the region.

The first phase of the work program will focus on the following three areas. The agencies identified will take the lead coordinating role and are responsible for ensuring proper interagency coordination.

- 1) Economic Analysis and Projections (Section II A and B) (CIA).
- 2) A summary of present resource flows and indigenous funding potential (Section III A) (Treasury).
- 3) Present U.S. funding priorities (AID)

The next meeting of the group will focus on the preliminary results of these three areas. In addition, the State Department will outline the approach it plans to take in coordinating the second phase of the project which will review how present aid programs can be better structured to achieve U.S. objectives, given the present economic and political realities in the recipient countries and our finite resources (Sections III B and C). It was also agreed that AID would take responsibility for coordinating Section IV of the report - implementation, timing and monitoring of assistance programs.

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